

**CONFIDENTIAL**

R-1-4076

1 February 1951

Mr. W. Park Armstrong  
Special Assistant, Intelligence  
Department of State

Dear Mr. Armstrong:

As you know, General Smith has written to the Secretary of State to indicate in broad terms how he envisions the allocation of certain intelligence responsibilities, in line with National Security Council Directives, as between the Department of State and the Central Intelligence Agency. This letter was based on the principles agreed to in our recent discussions on the responsibilities of the Department and Central Intelligence Agency with reference to certain functions formerly performed in Central Intelligence Agency by the Office of Reports and Estimates. To assist you in planning to meet the additional burden which will fall on the Department, I am outlining my understanding of the agreements upon which General Smith's letter is based.

The Department has responsibility for intelligence research in the political, cultural and sociological fields. The research work hitherto performed in these fields by our former Office of Reports and Estimates is discontinued and the Department will be responsible for meeting the requests from all departments and agencies previously handled by the Office of Reports and Estimates. This will include initiation of requirements for intelligence collection and evaluation of raw information reports in these fields. The Department will undoubtedly have further demands on its resources arising from its increasing participation in the preparation of National Intelligence Estimates.

As a guide towards estimating the increased burden on the Department, I might point out that Central Intelligence Agency is discontinuing, among other activities, the following:

1. Political research to meet the requests of the National Security Council, the Joint Chiefs of Staff and other departments and agencies;
2. Intelligence research for psychological warfare;

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3. Intelligence research on international organizations, particularly United Nations;
4. Intelligence research on world Communism;
5. Intelligence research in the political, cultural and sociological fields for the internal needs of Central Intelligence Agency.

The Central Intelligence Agency wishes to assist the Department in meeting these new responsibilities, as is indicated in General Smith's letter. To fulfill this obligation, Central Intelligence Agency is prepared to:

1. Provide, for the remainder of fiscal 1951, funds for additional personnel up to the amount of [redacted] have both estimated that the number of additional personnel which the Department may need is approximately [redacted]
2. Cooperate in the detail or transfer to the Department of any available personnel formerly engaged in the Office of Research and Estimates. The Department is free to discuss such detail or transfer directly with the personnel involved.

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I understand that working negotiations are under way on these points. Copies of this letter have been distributed to the appropriate officers in this organization for policy guidance. I hope you and I may meet for further discussions if the need arises in the course of these negotiations.

Sincerely,

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WILLIAM M. JACKSON  
Deputy Director of  
Central Intelligence

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My dear Mr. Secretary:

Since assuming responsibility as Director of Central Intelligence, I have made certain organizational changes which I believe will enable the Central Intelligence Agency to discharge more effectively its statutory functions and the responsibilities assigned it by the National Security Council. In this connection, it seems desirable to clarify the allocation of certain functions as between the Central Intelligence Agency and the Department of State in accordance with National Security Council directives.

In line with National Security Council Intelligence Directive No. 3, the Department of State has primary responsibility for political, cultural and sociological intelligence. As you know, the Central Intelligence Agency formerly was engaging to some extent in intelligence research in these fields. After extensive discussions between our representatives, we have agreed that henceforth the Central Intelligence Agency should look to the Department of State for intelligence research in the political, cultural and sociological fields. The discontinuance of Central Intelligence Agency research activities in these fields will undoubtedly mean that the Department of State will require additional resources. The Central Intelligence Agency stands ready, to the extent of its capabilities, to assist the Department in obtaining such resources.

As you know, a survey is now being conducted, by direction of the National Security Council, of the needs and capabilities of the various parts of the United States Government in the field of economic intelligence relating to national security. As that survey progresses, the Central Intelligence Agency will wish to discuss the matter with the Department of State with a view to arriving, through appropriate procedures, at an effective co-ordination of such economic intelligence activities.

I trust that you will find these steps to your satisfaction and will call on this organization for any assistance it may be able to give.

Sincerely,

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WALTER D. SMITH  
Director

The Honorable  
The Secretary of State

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STATEMENT OF THE PROBLEM ON COORDINATION OF  
RESEARCH FOR PSYCHOLOGICAL WARFARE

PROBLEM

How should the U.S. Government coordinate research in support of psychological warfare.

DISCUSSION

1. Research in support of psychological warfare is construed to include: (a) intelligence research, (b) research in support of operations and (c) research intended as advice on policy and goals (except for economic research) unless the support material is of the type useful for immediate action purposes (in other words, it is a paper resulting from a study in sufficient depth and thoroughness that its author would consider that it at least approached academic research standards).

2.

a. There is general agreement among the agencies, particularly by State and CIA, that the June paper prepared by CIA on intelligence support for psychological warfare is correct in its analysis. The central point of this paper is that the primary responsibility in this field rests in the State Department's intelligence area and that it should, therefore, carry out coordination with the other agencies. The role of CIA is to see that this works and to assist it in any way possible.

b. The reference paper in "a" does not deal with external research in the social science field encompassed in this problem. There currently exists a recognized responsibility on the part of the intelligence area

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State Department, to do as much coordination as possible in this field.



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3. The analysis of what ought to be and the present arrangements to accomplish it point then to the conclusion that the State Department already has the responsibility for the coordination of social science research (including of economics). It may be that this responsibility has not been sharply enough defined in the minds of all interested parties, particularly State Department.

RECOMMENDATION

1. That the State Department is the proper location for the responsibility for the coordination of research in support of psychological warfare both intelligence and non-intelligence.
2. That the State Department affirm that it has this responsibility.
3. That ways and means be sought to provide the necessary funds and personnel for the State Department adequately to discharge this responsibility.

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